GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:3055
ANSWERED ON:16.03.2001
SALE OF SUGAR
UMMAREDDY VENKATESWARLU

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Government have decided take stern action against sugar mills selling sugar without official release orders;

(b) if so, the number of mills who have violated this order;

(c) whether the Government propose to ensure that sugarcane growers get adequate price for their produce; and

(d) if so, to what extent will the Government ensure fair prices to the sugarcane g

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (S SREENIVASA PRASAD)

(a) & (b) : Based on the reports received from various quarters regarding sale of sugar in the open market without valid release orders, the Government deputed various officers to verify the position regarding sale and dispatch of sugar by the factories. So far, 12 factories have been found prima-facie violating the release orders and they have been issued show cause notices.

(c) & (d) : The Central Government fixes the Statutory Minimum Price (MSP) of sugarcane for each sugar season under Clause 3 of the Sugarcane (Control) Order, 1966 taking into account the cost of production of sugarcane, return to the grower from the alternative crops and the general trend of prices of agricultural commodities availability to the consumer at a fair price, the price at which sugar produced from sugarcane is sold by the producers of sugar, the recovery of sugar from sugarcane etc. The SMP has been increased every season. However, most of the mills pay either the State Advised Price of sugarcane or agreed price which is much higher than the SMP.